

Arctic Alaska - a time for
action

an address

by

Keith H. Miller (Governor of
Alaska)

Delivered to the North Commission
Wash.D.C. - April 28, 1969 P.1-10

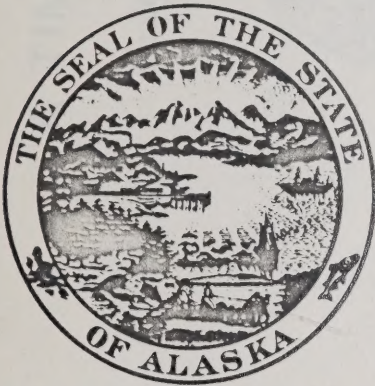
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KEITH H. MILLER

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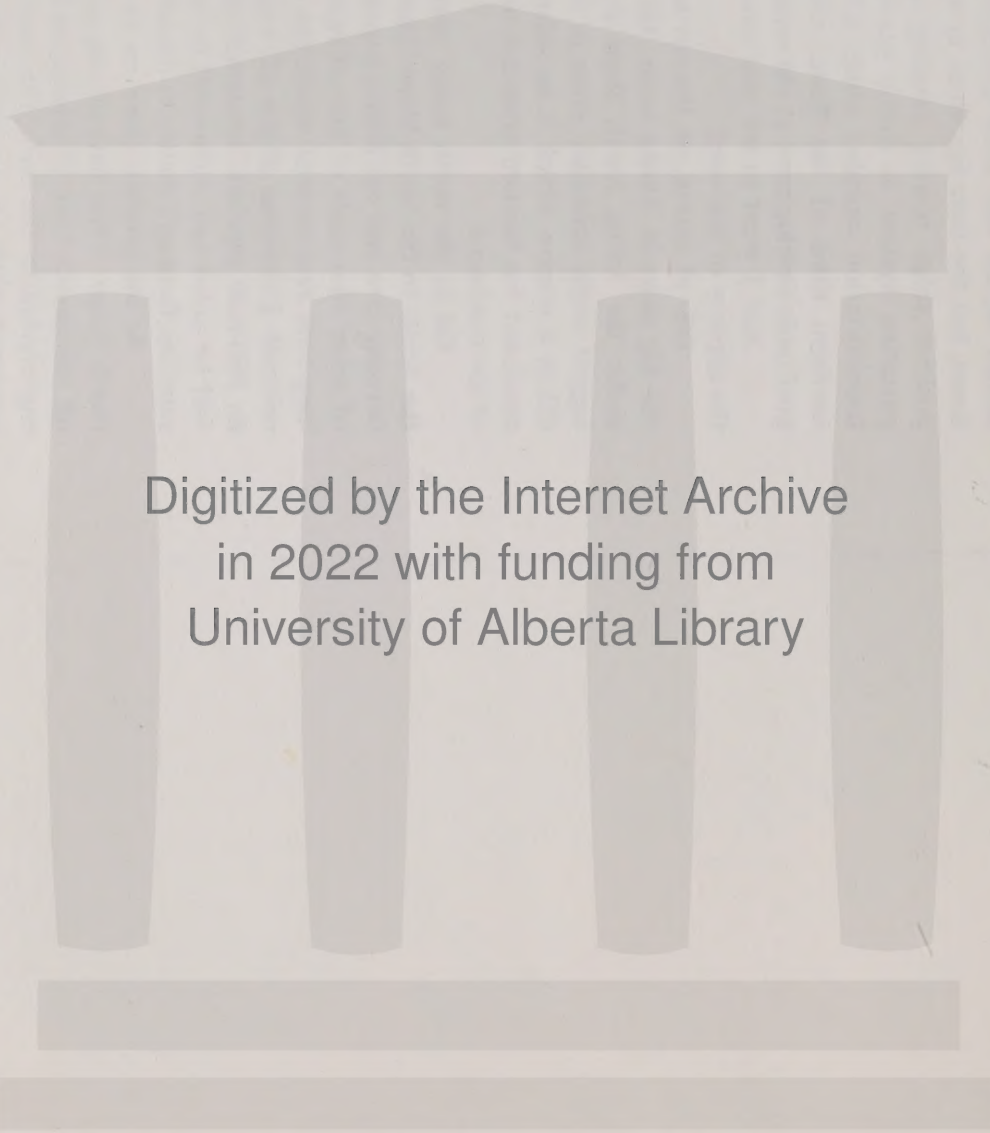
I'm speaking to you today on a matter of urgency. It is a matter which has been discussed and considered at various times, but the time has come now for action. It is time to take positive steps toward creating a year-round surface transportation system in Arctic Alaska. It is time to establish a transportation corridor which will unlock the vastly wealthy northern third of the State, and promote the orderly and profitable development of the resource riches which lie there.

And I want to tell you something of the reasons behind the urgency of this need.

Oil, of course, on the northern edge of the continent, is the big news in Alaska today. Oil in superabundant quantities under the Arctic North Slope is rapidly developing into the biggest single economic event in the history of Alaska to date. Oil in a reserve which is considered among the largest in the continent has focused attention on the hitherto ignored crown of the continent.

Oil in the north today demands transportation through the Arctic to the North Slope. That reservoir of oil, estimated at between five and ten billion barrels, will require the movement of many thousands of tons of equipment and supplies. This is a long-term requirement which can only be effectively met by a railroad. Extraction of the oil, expected to be accomplished by an 800-mile pipeline, contemplated at a cost of \$900 million, will be aided and augmented by a rail bringing equipment and supplies, food and shelter to the scene of the wells.

At the present, there are twenty-four drilling sites on the North Slope. Three have already struck oil. Right now about 20 oil companies have 18 seismographic crews conducting further exploration in the area. This summer a super-tanker, specially equipped with an ice-breaker bow, will make a voyage to



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determine the feasibility of using the Northwest Passage as a route for transporting oil to the east coast of the United States on a year-round basis. It is too early to be precise at this point in time about the per-well production of the North Slope fields, but at Kenai, in Southcentral Alaska, per-well production is the highest in the United States, and it is altogether reasonable to look for the same factors on the North Slope.

In fact, many responsible authorities expect even higher production rates there.

Oil, the biggest economic event in the history of Alaska, will without question have profound economic impact on the entire United States.

But there is far more to the urgency of a transportation corridor into the Arctic than the matter of oil. Known and inferred reserves of other natural resources—of both mineral and nonmineral varieties—make interior Alaska probably the largest storehouse of untapped wealth in the free world today. It is certainly the largest which is not accessible by surface transportation.

Only a beginning has been made in terms of exploring and exporting this mineral wealth. In 1966, the value of minerals produced in Alaska proper was \$83 million, and less than \$300,000 of that was taken from Arctic Alaska. It may be assumed that Alaska's mineral deposits occur in at least the same distribution as the western continental United States, the Yukon Territory, British Columbia, and other similar geologic regions.

That fact, combined with available geologic intelligence, provides evidence that Alaska's resources would support a production level at least 100 times that of present activity.

The Bureau of Mines finds this situation almost paradoxical in view of the pressures bearing on our domestic minerals resource base. For example, our requirements are expected to double by the year 2000. Even meeting the demands of a decade from now presents a formidable challenge. Today, we import 75 percent of our requirements for 20 key

minerals, and over 50 percent of our requirements for 30 others. This situation presents a unique opportunity for the expansion of the minerals industry in Alaska, with the built-in domestic market, and an opportunity for Alaskan production to make a major contribution to the U. S. balance of payments problem. Large percentages of minerals presently being imported to the U. S. from Australia, South America, Central Africa, the Far East and other places, could be replaced by production from Alaska, when they can be extracted and transported economically.

Here, again, rails show the way. The ton-mile cost of moving large amounts of equipment and other necessities into the interior of Alaska, and of moving large amounts of varying grades of ores and other resources out, can be controlled and kept economical if those payloads are moved by rail. Simply stated, a large load is a payload; a small one is not.

So urgent is the matter of surface transportation into the interior of Alaska that last winter we built a road there. We pushed north from Fairbanks, 400 miles through the heart of Arctic Alaska, to the North Slope oil fields. That, gentlemen, was quite an undertaking.

Building a road in the Arctic is unlike road building anywhere else. It is a matter of clearing the rock-hard frozen tundra of obstacles and relying upon its remaining frozen for the surface of the road. It includes building bridges of solid ice. We built one across the Yukon, third largest river in North America. The business of building an ice bridge is, in itself, a fascinating process. The bridge consists of alternate layers of logs across the route, and ice, built up by spraying water over the logs and allowing it to freeze. Three anchor cables, imbedded in an ice layer, are secured to the banks. This particular bridge, one of 17 built on the North Road, was some 1,600 feet long and about 5 feet deep.

The road requires continuous maintenance during the period of use, to keep it clear of drifting snow and to monitor the safety of the ice bridges.

The ice road is now closed, of course, and has been for several days. The spring weather has made it impassable. But it served the emergency purpose for which it was built. It established that such a project is possible, and we are going ahead with plans to reopen it next year, after preliminary work this summer. The \$350 thousand spent on it this winter proved a very valuable investment. It made work on the North Slope possible and will allow work there to continue during the year. I have flown over nearly every inch of that road, and visited its northern terminus, and I know what a feat of necessity it was.

The effects of a transportation corridor into the interior will be far greater than just service to the Arctic oil fields and mineral lodes. As an example, a major staging area where the railroad crosses the Yukon River at Tanana, northwest of Fairbanks, would allow shipping rates down the Yukon into southwest Alaska to be considerably reduced.

This would accelerate the development of that entire area to a considerable degree. Similar factors would obtain where the rail route crosses the great Koyukuk River.

A railroad would contribute almost immeasurably to the living standards of people along and near its route. There are literally dozens of small communities scattered through the bush and tundra country of the north which would be direct beneficiaries of this railroad by virtue of accessibility, and lower freight rates for the necessities of life which must be brought in from outside their immediate areas.

The enabling legislation which created the Alaska Railroad in 1914 authorized construction or requisition of a thousand miles of railroad in the territory but only 544 miles has so far been built. So the presently proposed route, both in fact and effect, would be fulfillment of what that law provided. It is proposed that the existing railroad be extended from its present terminus at Fairbanks, west northwest to the Yukon at Tanana, then north to Alatna.

At that point, one spur would head northwest toward the Kobuk River and another due north through Anaktuvuk Pass to

the North Slope. This would provide two great arteries into the northern interior for its exploration, supply, development, use and conservation.

The economics of operating such a railroad will be more attractive in many respects than the presently existing railroad, and will enhance the economic viability of the present route. Much southbound traffic now on rails in Alaska is not productive of revenue. Supplies and equipment—living necessities—are shipped north, but many cars return empty. Development of the interior will assure payloads traveling in two directions along nearly the full length of this transportation corridor.

The economics of working in the Arctic are very different, in many ways, from working on the outside. Distances, temperatures, terrains, hours of daylight and dark, restricted speed of travel, all contribute to a totally new transportation environment and totally new conditions which must be met. The kind of heavy duty, continuous operation surface transportation which must be available can really only be provided by a railroad system.

This point has already been graphically demonstrated by the great slave railway thrusting into the Northeastern Canadian Arctic. The developments now taking place in that part of the north will profoundly affect the future of much of Canada for at least the next hundred years.

In a unique place like the Arctic, development consists of many things. It includes, indeed, the exploration and extraction I've been talking about, but it must necessarily include more. We must look forward to future times when two startling things will have happened. First—distant though it now seems—the nonrenewable resources of the region must some time be exhausted.

Second, we must be able to foresee the time when even such presently-hostile real estate as the Arctic will become necessary living space.

Now if that last sounds to you like Jules Verne or Buck

Rogers gone mad, consider what rocket ships and trips to the moon and laser beams--and, indeed, industry in the Arctic--would have been considered just a few decades ago.

We must, in this day and age, teach ourselves to think well beyond the confines of present knowledge and capability. We must learn to reach out in the direction of even the most remote possibilities to find solutions to the pressing problems bearing down upon all mankind. Rather than its being too fantastic to imagine, it is unthinkable that such a great land mass as the Alaskan Arctic should not figure in the future of the world's populations. The need will soon be with us. The technology will be found.

Just to consider two factors which will certainly figure in such a future; atomic-fueled heating systems and the science of hydroponics can be relied upon to play their roles. I will not pretend to predict, gentlemen, when that day will be with us--though it will not be surprising within many of our lifetimes--but be assured that it will arrive.

With respect to the limitations of the known and unknown resources, we must discover ways to make as much use as is scientifically possible--now and in the future--of what we find there.

Too few years ago, a tree produced only lumber. Now a score of products comes from a tree from plastics to medicine, and nothing in a tree goes to waste. Fish once were only fish, to be canned or frozen or eaten immediately, and a large percentage of the carcass to be discarded. Now virtually all of a fish is useful, and research promises to make even further use of this great resource from Alaska, and to provide a vital source of concentrated protein--from formerly wasted parts--to help feed the world's hungry millions. The sand from which oil is extracted in some places is used in high-quality glass making.

More products are being derived from oil itself than ever before. Many by-products of industry which were wastes are now commercially useful. All this comes under the heading of development--the kind of development which can best be done

on the scene.

And while we don't think at the present in terms of major finished industrial production at the scene of resources in Alaska, this too will come, and there must be adequate transportation available to service such industries. Again, the answer to this need for a transportation corridor is a railroad.

It is self-evident that large numbers of people will be involved in the exploration, supply, extraction, development and protection of the great interior of Alaska. These people will range from the skilled scientists required on site for prospecting, analysis, study and development, to the doughty men who will brave the Arctic chill to keep the many installations there supplied; keep them livable institutions where other men can live and work and survive.

I mean dozens, then scores, then hundreds and then thousands of people. The on-site necessities of these people will be only a part of what must be planned and handled to make such functions viable, productive operations.

There will be recreational requirements in addition to basic necessities, continuing building needs, transportation in and out for large numbers of people who must get to the lower 48 at regular intervals, droves of consulting engineers and scientists and technical people who must continually move to and fro; and, yes, eventually, the families who will live in the Arctic.

Just in terms of the individuals who will have to move about in the north, a railroad is a necessity. There are days on end when airplanes as we know them simply cannot operate in large areas of that country because of weather conditions. A railroad, happily, can move through all sorts of conditions. And the necessity of moving these people safely, surely, regularly and on schedule will be a critical factor in the entire development of the great north.

The total impact of such a transportation corridor is, of course, impossible to assess at this point, but we can aver with confidence that there is far more than enough potential to

justify the building of the road.

To understand the situation clearly, it must be expressed in much stronger terms. As I have pointed out, the combination of factors which bears upon this proposition makes it imperative that the railroad be built, and at an early date. If we were to begin after this meeting, it would be none too soon.

Alaskans are a rare breed of people.

Many of them are conscious of the incredible wealth which lies in their great land; and they are realists enough to acknowledge that it will be discovered and developed and utilized. But they are, at the same time, conservationists. Even for the vast, trackless interior, they are conscious of the requirement of conservation. Can a railroad north serve the necessities of conservation? Indeed, it can. It can make the exploration and development of the north orderly. By channeling the thrust north along charted lines, it can avoid the helter-skelter push in all directions which has characterized the development of many other once-virgin areas of the continent; resulting in their rape and destruction. It can control the access to and therefore the extraction of the wealth waiting there. It can ensure that a sensible approach to the land will protect its unharvestable natural attributes; that the wildlife will be left its refuge; that soil erosion by wind and water will not become the wastrels of the land which have ravaged so much once-beautiful country. It can place the necessary managers and enforcers of conservation on the scene whenever and wherever necessary to be sure that this vast wild heritage is protected, managed, harvested with wisdom, and shared with pride for many generations to come.

You see, gentlemen, we're not talking about a conventional transportation corridor in any sense of the word. We are not talking about building, say, a railroad from Dubuque to Klamath Falls. Such a road could be plotted with scientific precision by engineers, market analysts, traffic men and transportation specialists. They could tell you to the Nth degree the problems and probabilities involved in building that road;

they could tell you the investment requirements and prospects of return to within a few dollars per operating mile of that railroad; they could tell you maintenance costs, growth factors, spur locations, production and market areas right down to the township line.

We are not dealing in any such sort of specifics. We haven't the commercial experiences in the area against which to plot our plans. We do know, however, that northern Alaska has a ponderous potential in every imaginable respect, that it must be explored and investigated; that it must be developed and utilized; that it must be put to work for the greater good of all mankind; and that we stand ready to work with the responsible agencies in every facet of this exploration, development, production and refinement to see this contribution to humanity fulfilled.

We have the defensible conviction that this will prove to be among the most important railroads ever built on the continent.

You will see a formal request for \$6 million for the purpose of establishing, surveying and delineating this transportation corridor. That figure, somewhat less than was paid for Alaska in the first place, will prove to be one of the greatest contributions to the future of the American people, for its size, the federal government will ever have made.

All of Alaska was once scoffed at as "Seward's Folly", "Seward's Icebox", and "Icebergia"; but within a few years after those epithets ceased to be popular, Alaska produced gold worth about a hundred times what Secretary Seward paid for the entire territory.

That gold, gentlemen, will prove to have been but a tiny fraction of the wealth which will come from Alaska; and a giant share of that wealth will come from the mighty Arctic.

Those, gentlemen, are a few of the reasons for which we want to encourage you to participate with us in building a railroad across the Arctic Circle, from the heartland of Alaska to the northern rim of the continent. Those are a few of the

reasons for which we want you to join with us in opening a great storehouse of riches for the good of all mankind. Those are the reasons for which we want you to assist us in the careful management, the prudent use, the cautious protection of that last great wilderness on the continent.

Today and tomorrow, other people, specialists in many facets of the project, will provide you with specifics of the proposal. I have attempted only to give you a basic idea of the necessity, the viability, the urgency, of building a rail link north to the future.

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AUTHOR MILLER, Keith H.

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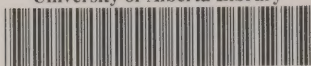
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